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FM AMCONSUL SURABAYA  
TO RUEHC/SECSTATE WASHDC 0488  
RUEHJA/AMEMBASSY JAKARTA 0477  
INFO RUEHJS/AMCONSUL SURABAYA 0500  
RHHMUNA/HQ USPACOM HONOLULU HI  
RUEHBY/USDAO CANBERRA ACT AS  
RUEHWL/AMEMBASSY WELLINGTON 0187  
RUEHJS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS

UNCLAS SURABAYA 000106

SIPDIS

DEP FOR EAP/MTS

E.O. 12958: N/A

TAGS: [PGOV](#) [ECON](#) [EAID](#) [ID](#)

SUBJECT: JPIP COMPETITION ENCOURAGES GOOD GOVERNANCE, EXPANDS INTO  
OTHER PROVINCES

REF: 08 Surabaya 56 Jawa Pos Awards Innovation in Public Service Across East Java

¶1. (U) In 2001, Indonesia began a political transformation from the centralized system of the Suharto era to a decentralized system characterized by high levels of local autonomy. During the intervening eight years, some regency and city governments have used this new-found authority to improve the level of services they provide to their residents while others have failed to meet expectations. The first in a series of cables about the effects of decentralization on the local governments and people of eastern Indonesia, this cable looks at one of the largest non-governmental boosters of improved local governance, the Jawa Pos Institute for Pro-Autonomy (JPIP). Competitions organized by JPIP have both impacted political races and encouraged the adoption of best practices by local governments. Subsequent cables will consider specific examples of successful as well as sub-par governance.

¶2. (U) Dahlan Iskan, the CEO of the Jawa Pos Group, one of the largest media conglomerates in Indonesia, is an unabashed supporter of greater local government autonomy. In an effort to improve local governance, he established the Jawa Pos Institute for Pro-Autonomy (JPIP) in 2001, an NGO focused on promoting good governance at the local level. While under the auspices of the media group, JPIP does not act as a media entity. Rather, it focuses its activities on both researching and promoting good-governance best practices. JPIP's central program is an annual good-governance competition among all the local governments in East Java, now in its ninth year (Reftel). In East Java, incumbents in regencies that scored poorly on JPIP's survey of government services found their re-election prospects dim.

¶3. (U) Based on JPIP's success, the Jawa Pos decided to expand outside East Java. The group established a second organization in Makassar, South Sulawesi, in 2008. As one of the largest and economically important cities in eastern Indonesia, Makassar was a clear choice for this second institute. The Fajar Institute for Pro-Autonomy (FIPO) operates under the auspices of the Jawa Pos Group newspaper in South Sulawesi, the Fajar, and is independent of JPIP. FIPO completed its first good governance competition in May 2009. While it is too early to tell if performing poorly in this competition will correlate with electoral defeat for the Regents in South Sulawesi, the competition has already garnered outside attention. The inaugural event was successful enough to induce the Government of Canada to provide a grant to FIPO to add Gender Equality to the list of categories graded in next year's competition.

¶4. (U) The Jawa Pos Group is establishing a third pro-autonomy institute in East Kalimantan, due in large part to Dahlan Iskan's close ties to the province - he attended a year of University in Samarinda prior to becoming a journalist and

reportedly considers it to be a second home. Dubbed the Jawa Pos Institute for Pro-Autonomy East Kalimantan (JPIP Kaltim), this institute will hold a similar competition in that province. Preparations are underway for its first competition, which is scheduled to be completed in 2010. While there are clear reasons for establishing these institutes in South Sulawesi and East Kalimantan, JPIP told PolOff that there are no current plans to create further institutes in other provinces.

15. (U) These competitions provide valuable insight into the workings of local governments in the current environment of decentralization and local autonomy. In some cases in the East Java competition, regencies languish at the bottom of the competition for years, seemingly incapable of improving public services, while other regencies regularly win various categories of the competitions. However, in many cases in both East Java and now in South Sulawesi, the successes of one regency or city are duplicated by others. For example, Sinjai regency, in South Sulawesi, received the highest score in the Health Service category for providing health insurance to the public. Several regencies from as far away as West Java have sought to copy Sinjai's health insurance program. Similarly, Surabaya won an award in the 2006 JPIP competition for its program to ensure that there was one tree planted in the city for each resident. This program has since been duplicated, with some local adaptations, by local governments in Lumajang and Gresik. The adoption of best practices by other cities and regencies represents the greatest potential lasting impact of these competitions.

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